



4810-AM-P

BUREAU OF CONSUMER FINANCIAL PROTECTION

Agency Information Collection Activities; Renewal of Currently Approved

Collections; Comment Request

[Docket No. CFPB-2012-0002]

AGENCY: Bureau of Consumer Financial Protection.

ACTION: Notice and request for comment.

SUMMARY: The Bureau of Consumer Financial Protection (CFPB or the Bureau) is soliciting comments concerning the currently approved information collections associated with certain recently published interim final rules. This notice is published by the CFPB as part of its continuing effort to reduce paperwork and respondent burden. The public and other Federal agencies are invited to take this opportunity to comment on this information collection, as required by the Paperwork Reduction Act of 1995, Public Law 104-13.

DATES: Comments must be received on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be assured of consideration.

ADDRESSES: You may submit comments, identified by docket number *CFPB-2012-0002* and the relevant OMB control numbers listed below, by any of the following methods:

- *Electronic:* <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Mail:* Chris Willey, Consumer Financial Protection Bureau, 1700 G Street, NW,

Washington DC 20006.

- *Hand Delivery/Courier in Lieu of Mail:* Chris Willey, Consumer Financial Protection Bureau, 1700 G Street, NW, Washington, DC 20006.

In general, all comments will be posted without change to <http://www.regulations.gov>. In addition, comments will be available for public inspection and copying at 1700 G Street, NW, Washington DC 20006, on official business days between the hours of 10 a.m. and 5 p.m. Eastern Time. You can make an appointment to inspect the documents by telephoning (202) 435-7275. All comments, including attachments and other supporting materials, will become part of the public record and subject to public disclosure.

Sensitive personal information, such as account numbers or social security numbers, should not be included. Comments will not be edited to remove any identifying or contact information.

FOR FURTHER INFORMATION CONTACT: Requests for additional information may be obtained by contacting Chris Willey, Chief Information Officer, Consumer Financial Protection Bureau, 1700 G Street, Washington DC 20006.

SUPPLEMENTARY INFORMATION:

Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) transferred rulemaking authority for a number of consumer financial protection laws from seven Federal agencies to the CFPB as of July 21, 2011.¹ In December 2011, the CFPB republished the regulations implementing those laws with technical and conforming changes to reflect the transfer of authority and certain other

¹ The seven Federal agencies are the Board of Governors (Board), the Federal Deposit Insurance Corporation (FDIC), the Federal Trade Commission (FTC), the National Credit Union Administration (NCUA), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), and the Department of Housing and Urban Development (HUD) (collectively, the transferor agencies). See Section 1061(a)(2) of the Dodd-Frank Act.

changes made by the Dodd-Frank Act. Prior to the republication, the CFPB obtained emergency approvals from the Office of Management and Budget (OMB) for the information collections for which the CFPB had administrative enforcement authority under these regulations.

The burden hours associated with the collections identified below are not new burden hours. Rather, they are transfers of burden hours from the transferor agencies. In obtaining emergency approval, the CFPB's estimates of the burden of the following information collections were based on the assumption that the total ongoing burden for these regulations, across all agencies, remained the same as it was before the regulations were restated by the CFPB. Furthermore, the CFPB primarily relied on the estimates previously developed by the transferor agencies concerning the number of entities subject to the regulations and the hours of paperwork burden under the statutes. To comply with the requirements under 44 U.S.C. 3506, the CFPB requests public comment on the following collections:

OMB Number: 3170-0002

Type of Review: Extension.

Title: Fair Credit Reporting Act (Regulation V) 12 CFR 1022.

Description: The consumer disclosures included in Regulation V are designed to alert consumers that a financial institution furnished negative information about them to a consumer reporting agency, that they have a right to opt out of receiving marketing materials and credit or insurance offers, that their credit report was used in setting the material terms of credit that may be

less favorable than the terms offered to consumers with better credit histories, that they maintain certain rights with respect to a theft of their identity that they reported to a consumer reporting agency, that they maintain rights with respect to knowing what is in their consumer reporting agency file, that they can request a free credit report, and that they can report a theft of their identity to the CFPB. Consumers then can use the information provided to consider how and when to check and use their credit reports. These disclosures are substantially the same as those previously provided by model forms promulgated by the Board, the FDIC, the NCUA, the OCC, the OTS and the FTC.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 4,737,000 hours.

OMB Number: 3170-0004

Type of Review: Extension.

Title: Truth in Savings (Regulation DD) 12 CFR 1030.

Description: Federal agencies use the records to ascertain whether

accurate and complete disclosures of depository accounts have been provided to consumers. This information also provides the primary evidence of law violations in Truth in Savings (TISA) enforcement actions brought by the CFPB and other agencies. Without the Regulation DD recordkeeping requirement, the agencies' abilities to enforce TISA would be significantly impaired. Consumers rely on the disclosures required by TISA and Regulation DD to facilitate informed decision

making regarding deposit accounts offered at depository institutions. Without this information, consumers would be severely hindered in their ability to assess the true costs and terms of the deposit accounts offered. These disclosures and provisions are necessary for the enforcement agencies to enforce TISA and Regulation DD.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 23,000 hours.

OMB Number: 3170-0005

Type of Review: Extension.

Title: Secure and Fair Enforcement for Mortgage Licensing Act (Regulation G) 12 CFR 1007.

Description: The information collection will improve the flow of information to and between regulators; provide accountability and tracking of mortgage loan originators (MLOs), enhance consumer protections, reduce fraud in the residential mortgage loan origination process and provide consumers with easily accessible information at no charge regarding the employment history of, and publicly adjudicated disciplinary and enforcement actions against, MLOs.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 15,000 hours.

OMB Number: 3170-0006.

Type of Review: Extension.

Title: Consumer Leasing Act (Regulation M) 12 CFR 1013.

Description: Federal and state enforcement and private litigants use the records to ascertain whether accurate and complete disclosures of the cost of leases have been provided to consumers prior to consummation of the lease. This information provides the primary evidence of law violations in Consumer Leasing Act (CLA) enforcement actions brought by federal agencies. Without Regulation M's recordkeeping requirement, the agencies' ability to enforce the CLA would be significantly impaired. As noted above, consumers rely upon the disclosures required by the CLA and Regulation M for information to comparison shop among leases, as well as to ascertain the true costs and terms of lease offers. Enforcement agencies and private litigants need the information in these disclosures and other requirements to enforce the CLA and Regulation M.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 100,000 hours.

OMB Number: 3170-0007

Type of Review: Extension.

Title: Mortgage Assistance Relief Services (Regulation O) 12 CFR 1015.

Description: The required disclosures under Regulation O assist prospective purchasers of mortgage assistance relief services (MARS) in making well-informed

decisions and avoiding deceptive and unfair acts and practices. The information that must be kept under Regulation O's recordkeeping requirements is used by the CFPB and other relevant agencies for enforcement purposes and to ensure compliance by MARS providers with Regulation O. The information is requested only on a case-by-case basis.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 32,500 hours.

OMB Number: 3170-0008

Type of Review: Extension.

Title: Home Mortgage Disclosure Act (Regulation C) 12 CFR 1003.

Description: The Home Mortgage Disclosure Act (HMDA) requires most mortgage lenders lending in metropolitan areas to collect data about their housing-related lending activity. Annually, lenders must report those data to the appropriate federal agencies and make the data available to the public. The CFPB's regulation requires covered financial institutions that meet certain thresholds to maintain data about home loan applications (e.g., the type of loan requested, the purpose of the loan, whether the loan was approved, and the type of purchaser if the loan was later sold), to update the information quarterly, and to report the information annually. The purpose of the information collection is: (i) to help determine whether financial institutions are serving the housing needs of their communities; (ii) to assist public officials in distributing public-sector investment so as to

attract private investment to areas where it is needed; and (iii) to assist in identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes. The information collection will assist the CFPB's examiners, and examiners of other federal supervisory agencies, in determining that the financial institutions they supervise comply with applicable provisions of HMDA.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 154,000 hours.

OMB Number: 3170-0009

Type of Review: Extension.

Title: Mortgage Acts and Practices (Regulation N) 12 CFR 1014.

Description: The Omnibus Appropriations Act, as clarified by Section 511 of the Credit CARD Act, and as amended by Section 1097 of the Dodd-Frank Act directs the CFPB to issue rules that "relate to unfair or deceptive acts or practices" regarding mortgage loans. Regulation N prohibits misrepresentations about the terms of mortgage credit products in commercial communications and requires that covered persons keep certain related records for a period of twenty-four (24) months from last dissemination. Specifically, Regulation N requires covered persons to retain : (1) copies of all materially different commercial communications disseminated, including but not limited to sales scripts, training materials, related marketing materials, websites, and weblogs; (2) documents

describing or evidencing all mortgage credit products available to consumers during the time period in which each commercial communication was disseminated, including but not limited to the names and terms of each such mortgage credit product available to consumers; and (3) documents describing or evidencing all additional products or services (such as credit insurance or credit disability insurance) that are or may be offered or provided with the mortgage credit products available to consumers during the time period in which each commercial communication was disseminated, including but not limited to the names and terms of each such additional product or service available to consumers. A failure to keep such records is a violation of Regulation N. The information that Regulation N requires covered persons to retain is necessary to ensure efficient and effective law enforcement to address deceptive practices that occur in the mortgage advertising area. To gauge whether covered persons are complying with Regulation N or making prohibited misrepresentations, it is necessary to review the commercial communications that were disseminated and the information about the mortgage credit products and relevant additional products or services available during the time period in which each commercial communication was disseminated. Furthermore, a strong recordkeeping provision is necessary to foster effective enforcement of Regulation N.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 1,950,000 hours. This estimation reflects a correction

to an error in the reporting burden included in the initial ICR for this collection. The previous submission included the entire burden under Regulation N. The current submission includes only the burden attributable to the CFPB.

OMB Number: 3170-0010

Type of Review: Extension.

Title: Privacy of Consumer Financial Information (Regulation P) 12 CFR 1016.

Description: Section 502 of the Gramm-Leach-Bliley Act (GLB Act) (Pub. L. 106-102)

generally prohibits a financial institution from sharing nonpublic personal information about a consumer with nonaffiliated third parties unless the institution satisfies various disclosure requirements (including provision of initial privacy notices, annual notices, notices of revisions to the institution's privacy policy, and opt-out notices) and the consumer has not elected to opt out of the information sharing. The CFPB is promulgating regulations to implement the GLB Act's notice requirements and restrictions on a financial institution's ability to disclose nonpublic personal information about consumers to nonaffiliated third parties.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 516,000 hours.

OMB Number: 3170-0012

Type of Review: Extension.

Title: Interstate Land Sales Full Disclosure Act (Regulations J, K, and L) 12 CFR 1010.

Description: The respondents are land developers (or attorneys or others who work for them). Developers must submit an initial Statement of Record (registration) to the CFPB and receive an effective date before they can offer lots for sale or lease. The Statement of Record includes the proposed property report and additional information and documents that support the developer's disclosures in the property report. The developer is responsible for ensuring that the registration is accurate and does not omit information needed for a purchaser to make an informed decision. Developers must give purchasers an effective property report before the purchaser signs the sales contract. Developers must submit amendments to their registrations if any information in their initial registration changes. They must also submit a consolidated filing if they offer additional lots for sale. Each year the developer must submit an annual financial statement and an annual report that is prepared in the format required by Section 1010.310 of the regulations. A developer may voluntarily suspend his registration by submitting a Voluntary Suspension form or through the Annual Report. There are no other forms. The CFPB conducts a facial review of the submissions. The developer may request an Advisory Opinion if a developer has questions about the applicability of one of the exemptions from registration. A CFPB determination is required only if a developer claims an exemption from registration under the multiple site or substantial compliance exemption. The other 24 exemptions are self-

determining. Finally, the CFPB may require additional information from developers in response to investigations of complaints. The Voluntary Suspension form is voluntary and is a convenient way for developers to voluntarily suspend their registration. The form is not required and is not the only way that developers may close their registration. They may also end their registration through their annual report.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 34,653 hours.

OMB Number: 3170-0013

Type of Review: Extension.

Title: Equal Credit Opportunity Act (Regulation B) 12 CFR 1002.

Description: Federal and state enforcement agencies and private litigants use recordkeeping information to, for example, compare accepted and rejected applicants or the terms and conditions of accepted applicants in order to determine whether applicants are treated less favorably on the basis of race, sex, age, or other prohibited bases under the Equal Credit Opportunity Act (ECOA). Information derived from these records provides an important piece of evidence of law violations in ECOA enforcement actions brought by federal agencies. Self-testing records (including for corrective action) are used by creditors to identify potential violations and reflect their efforts to correct the problem. Absent the Regulation B requirement that creditors retain monitoring information, the

CFPB's and other agencies' ability to detect unlawful discrimination and enforce the ECOA would be significantly impaired. The CFPB, other agencies, and private litigants use adverse action notices, appraisal reports, and other information in the application file to compare applicants in order to determine whether any applicants are discriminated against on the basis of race/national origin, sex, marital status, age, or other prohibited bases under the ECOA. The adverse action notice requirement apprises applicants of their rights under the ECOA and of the basis for a creditor's decision. Applicants use their copy of the appraisal to review (and possibly challenge) the accuracy and/or fairness of the information contained within, and to determine the role that the appraisal played in the credit decision. Applicants use the self-testing disclosure to facilitate understanding of creditors' information collection, including its optionality.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 1,502,000 hours.

OMB Number: 3170-0014

Type of Review: Extension.

Title: Electronic Fund Transfer Act (Regulation E) 12 CFR 1005.

Description: Federal agencies and private litigants use the records to ascertain whether accurate and complete disclosures of EFT services and other required actions (for example, error resolution and limitation of consumer liability

for unauthorized transfers) have been provided. This information will provide the primary evidence of law violations in EFTA enforcement actions brought by the CFPB and other agencies. Without the Regulation E recordkeeping requirement, the agencies' abilities to enforce the EFTA would be significantly impaired. Consumers rely on the disclosures required by the EFTA and Regulation E to facilitate informed EFT decision making. Without this information, consumers would be severely hindered in their ability to assess the true costs and terms of the transactions offered. Also, without the special error resolution and limitation of consumer liability provisions, consumers would be unable to detect and correct errors in their EFT transactions and fraudulent transfers. These disclosures and provisions are necessary for enforcement agencies to enforce the EFTA and Regulation E.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 1,904,000 hours.

OMB Number: 3170-0015

Type of Review: Extension.

Title: Truth in Lending Act (Regulation Z) 12 CFR 1026.

Description: Federal and state enforcement agencies and private litigants use records retained under the requirement of Regulation Z to ascertain whether accurate and complete disclosures of the cost of credit have been provided to consumers prior to consummation of the credit obligation and, in some

instances, during the loan term. The information is also used to determine whether other actions required under the TILA, including complying with billing error resolution procedures and limitation of consumer liability for unauthorized use of credit, have been met. The information retained provides the primary evidence of law violations in TILA enforcement actions brought by federal agencies. Without the Regulation Z recordkeeping requirement, the agencies' ability to enforce the TILA would be significantly impaired. As noted above, consumers rely on the disclosures required by the TILA and Regulation Z to shop among options and to facilitate informed credit decision making. Without this information, consumers would be severely hindered in their ability to assess the true costs and terms of financing offered. Also, without the special billing error information, consumers would be unable to detect and correct errors or fraudulent charges on their open-end credit accounts. Additionally, enforcement agencies and private litigants need the information in these disclosures to enforce the TILA and Regulation Z. See 15 U.S.C. 1607, 1640.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 6,467,000 hours.

OMB Number: 3170-0016

Type of Review: Extension.

Title: Real Estate Settlement Procedures Act (Regulation X) 12 CFR 1024.

Description: Certain disclosures are required by the Real Estate Settlement Procedures Act (RESPA) of 1974, as amended by Section 461 of the Housing and Urban-Rural Recovery Act of 1983 (HURRA), and other various amendments. Required disclosures include: the Good Faith Estimate (GFE), the Special Information Booklet, the HUD-1/HUD-1A Settlement Statements, the Servicing Disclosure Statement, and, as applicable, the Servicing Transfer Disclosure. Other disclosures may be required under certain circumstances and include: the Initial Escrow Account Statement, the Annual Escrow Account Statement, the Affiliated Business Disclosure, and the Consumer Disclosure for Voluntary Escrow Account Payments. This collection helps to protect consumers in several respects. The Special Information Booklet helps to protect consumers from unnecessarily high settlement costs by providing information about the nature and cost of real estate settlement services. The GFE and HUD-1/HUD-1A Settlement Statements enable consumers to compare estimated settlement costs with actual settlement costs. The Affiliated Business Disclosure helps to protect borrowers from unnecessarily high settlement service charges due to the settlement service provider's use of an affiliated provider. Disclosures related to the servicing of the mortgage loan help to protect consumers if the servicing of the loan could be or is transferred. Disclosures related to consumers' escrow accounts help to protect them from unnecessarily high escrow charges.

Respondents: Businesses or other for-profits.

Estimated Total Reporting Burden: 17,183,000 hours.

Request for Comments: Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget approval. All comments will become a matter of public record. The public is invited to submit written comments concerning: (a) whether the collection of information is necessary for the proper performance of the CFPB, including whether the information will have practical utility; (b) the accuracy of the above estimate of the burden of the information collection; (c) ways to enhance the quality, usefulness, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Dated: January 12, 2012

Chris Willey

Chief Information Officer, Consumer Financial Protection Bureau

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